

EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT
AUCTION SALES

NOTE: This form is designed for use where the listing firm may sell the property either at or outside of a public auction. This form should be used only by those who hold a current, valid real estate broker's license, auctioneer's license and appropriate firm licenses, if applicable.

This EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT ("Agreement") is entered into (Date) 7-12-11, between

Craig Hines

as Seller(s) ("Seller") of the property described below (the "Property"), and NC REAL Auctions & Realty, LLC, as Listing Firm ("Broker").

1. **EXCLUSIVE RIGHT TO SELL.** For a period extending from (Date) 7-12-11 until midnight, (Date) 12-31-2011, Broker shall have the exclusive right to sell the Property as agent of Seller at the price and on the terms set forth below. The auction will be conducted at 1114 Gurley St (Location), (Street Address), on or before the To be determined day of To be determined at 10 ☒ A.M. ☐ P.M. At such time and place, Broker, in its sole discretion, may accept for sale other consigned properties. Unless otherwise provided, all consigned properties shall be advertised at no expense to Seller and no commissions or fees due Broker from Seller shall be diminished by any commission or fee received on consigned properties.

2. **REAL PROPERTY.** The real property that is the subject of this Agreement is located in Durham County, North Carolina, and is known more particularly and described as (Complete ALL applicable):

Address: Street 1114 Gurley St City Durham Zip

Legal Description Parcel Ref 110104 H & L

Subdivision Name:

Plat Reference: Lot 013, Block or Section 025, containing acres as shown on Plat Book or Slide 013 at Page(s) 025

The PIN/PID or other identification number of the Property is: 0831-05-29-0720

Some or all of the Property may be described in Deed Book 4227 at Page 351.

☐ See attached Exhibit for legal description/description of premises.

If more than one parcel of real property is the subject of this Agreement, the term "Property" as used herein shall be deemed to refer to all such parcels individually or collectively as the context may require unless specifically indicated otherwise.

Mineral rights ☒ are ☐ are not included.

Timber rights ☒ are ☐ are not included.

3. **FIXTURES.** The following items, if any, and if owned by the Seller, are included free of liens: any built-in appliances, light fixtures, ceiling fans, attached floor coverings, blinds, shades, drapery rods and curtain rods, brackets and all related hardware, window and door screens, storm windows, combination doors, awnings, antennas, satellite dishes and receivers, burglar/fire/smoke alarms, pool and spa equipment, solar energy systems, attached fireplace screens, gas logs, fireplace inserts, electric garage door openers with controls, outdoor plants and trees (other than in movable containers), basketball goals, storage sheds, mailboxes, wall and/or door mirrors, attached propane gas tank, invisible fencing including all related equipment, lawn irrigation systems and all related equipment, water softener/conditioner and filter equipment, and any other items attached or affixed to the Property, EXCEPT any such items leased by the Seller and the following items: N/A

4. **PERSONAL PROPERTY.** The following personal property is included in the sale price: N/A

5. **BROKER AGENCY RELATIONSHIPS AND COOPERATION WITH/COMPENSATION TO OTHER FIRMS.** Seller has received the "Working with Real Estate Agents" publication and has reviewed it with Broker. In the case of a sale of the Property at auction, Broker will act exclusively as agent of the Seller. In the case of a sale of the Property other than at auction, with respect to dual agency (check only ONE):



PREPARED BY: Ron Daniels, Broker in Charge

STANDARD FORM 601 Revised 10/2009 © 1/2011. North Carolina Association of REALTORS®, Inc.

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Broker Initials

RVD



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Seller Initials CH



☐ Seller authorizes Broker to act as a Dual Agent, representing both the Seller and the Buyer in the same transaction, subject to the terms and conditions of the attached Dual Agency Addendum.

☒ Seller desires exclusive representation at all times during this Agreement and does NOT authorize Broker to act in the capacity of Dual Agent. *US Bankruptcy Court*

Broker has advised Seller of Broker's company policies regarding cooperation and the amount(s) of any compensation that will be offered to other brokers, including but not limited to, seller subagents, buyer agents or both, brokers who do or do not participate in a listing service and brokers who are or are not REALTORS®. Seller authorizes Broker to compensate and cooperate with the following: (CHECK ALL APPLICABLE AGENCIES):

☒ Subagents representing the Seller

☒ Buyer Agents representing the Buyer

Broker shall inquire of all cooperating agents at the time of initial contact as to their agency status. A written confirmation of agency shall be provided to Seller no later than the time of the presentation to Seller of any contract pursuant to this Agreement or, in the case of an auction sale, no later than the time of execution of a written agreement memorializing the buyer's contract to purchase.

6. AUCTION.

(a) **Authority.** Seller authorizes the Broker to sell the Property at auction in the manner set forth herein.

(b) **Auction With Or Without Reserve.**

- **Without Reserve.** An auction without reserve, also known as an absolute auction, means an auction where the real or personal property offered for auction is sold to the highest bidder (i) without the requirement of any minimum bid; (ii) without competing bids of any type by a seller or agent of a seller; and (iii) without any other limiting condition of sale.
- **With Reserve.** An auction with reserve, also known as a sale subject to confirmation (this does not mean confirmation by a court, only acceptance by the seller) means an auction in which a seller reserves the right to establish a minimum bid, to accept or decline any and all bids or to withdraw the property at any time prior to the announcement of the completion of the sale by the broker. In the event that the high bid at auction does not meet Seller's reserve price, then Seller pays Broker an agreed-upon "no sale fee" in addition to any other fees and commissions payable by Seller under this Agreement.

☐ **SINGLE PARCEL.** If a single parcel of real property is the subject of this Agreement, any auction will be conducted (check only ONE):

- ☐ Without Reserve
- ☒ With Reserve (Reserve Price: \$ Confirmation of Sell by US Bankruptcy Court No Sale Fee: \$)
- ☐ Determined At Later Time. Seller and Broker agrees that a decision as to whether the Property shall be auctioned With Reserve or Without Reserve (including the Reserve Price and No Sale Fee if auctioned With Reserve) shall be made at a later time by Seller in consultation with Broker, based on the circumstances existing at or around the time of any such auction.

☐ **MULTIPLE PARCELS.** If more than one parcel of real property is the subject of this Agreement, any such parcel will be auctioned With Reserve or Without Reserve as set forth in the attached Multi-Parcel Addendum.

(c) **Live And/Or Online Auction.** As defined by N.C.G.S. Section 85B-1(1), "auction means the sale of goods or real estate by means of exchanges between an auctioneer and members of an audience, the exchanges consisting of a series of invitations for offers made by the auctioneer, offers by members of the audience, and the acceptance by the auctioneer of the highest or most favorable offer." An auction may be a traditional "live" auction in which the auctioneer and the members of the audience may hear each other, or it may be conducted online by means of electronic exchanges between the auctioneer and the members of an audience who submit bids via the Internet, or it may be conducted by a combination of live and online means.

☒ **SINGLE PARCEL.** If a single parcel of real property is the subject of this Agreement, any auction will be conducted (check only ONE):

- ☒ Live
- ☐ Online
- ☐ Live/Online Combination

☐ **MULTIPLE PARCELS.** If more than one parcel of real property is the subject of this Agreement, any such parcel will be auctioned live and/or online as set forth in the attached Multi-Parcel Addendum.

7. **COMMISSIONS.** (Note: For purposes of this paragraph 7, the term "Property" shall be deemed to refer to each individual parcel of real property that may be the subject of this Agreement.)

(a) **Sale Of Property At Auction.** (check only ONE)

☐ Seller shall pay Broker 2/1 % of the bid price of the Property.

☐ Seller shall pay Broker N/A % of the contract price of the Property.

☐ OTHER. Seller shall pay Broker as follows: N/A

(b) Buyer's Premium At Auction.

☐ Seller authorizes Broker to charge a buyer's premium in the amount of 6 % of the bid price, to be included in the contract price, and: (check only ONE)

☒ Seller will collect and pay over the buyer's premium to Broker, in addition to any compensation due Broker under Section 7(a) above.

☐ Seller will collect and retain the buyer's premium as part of the contract price.

☐ Seller does not authorize Broker to charge a buyer's premium.

(c) Sale Of Property Other Than At Auction. If the Property is sold during the term of this Agreement on any day other than the day of the auction, Seller shall pay Broker _____ % of the gross sales price of the Property or

(d) General Commissions Provisions. Commissions shall be deemed earned under any of the following circumstances:

- (i) If a ready, willing and able buyer is procured by Broker, Seller, or anyone else during the term of this Agreement at the price and on the terms set forth herein, or at any price and upon any terms acceptable to the Seller;
- (ii) If the Property is sold, exchanged, conveyed or transferred, or the Seller agrees to sell, exchange, convey or transfer the Property at any price and upon any terms whatsoever, during the term of this Agreement or any renewal hereof;
- (iii) If, within _____ days after expiration of the term of this Agreement (the "Protection Period"), Seller either directly or indirectly sells, exchanges, conveys or transfers, or agrees to sell, exchange, convey or transfer the Property upon any terms whatsoever, to a party with whom Seller or Broker (or any agent acting for or through Broker) communicated regarding the Property during the term of this Agreement or any renewal hereof, then Seller shall pay Broker the commission provided for in Section 7(c); provided, that names of prospects are delivered or postmarked to the Seller within _____ days after the expiration of this Agreement. In the event the Property is exclusively listed for sale with another agency after the expiration of this Agreement and a registered prospect options or contracts to purchase the Property during the Protection Period, then the Seller shall pay to the Broker _____ % of the commission provided for in Section 7(c). It is not Broker's intention to hereby obligate Seller to pay two commissions; Seller should insure that any prospects registered pursuant to this Section are excluded from any subsequent listing agreement.

Once earned as set forth above, Broker compensation will be due and payable at the earlier of: (i) closing on the Property; (ii) the Seller's failure to sell the Property (including, but not limited to, the Seller's refusal to accept a bid or offer to purchase the Property at the price and terms stated herein or on other terms acceptable to the Seller, the Seller's default on an executed sales contract for the Property, or the Seller's agreement with a buyer to unreasonably modify or cancel an executed sales contract for the Property); or (iii) Seller's breach of this Agreement.

If Seller is a partnership, corporation or other business entity, and an interest in the partnership, corporation or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Property, and applicable law does not prohibit the payment of a commission in connection with such sale or transfer, the commission shall be calculated on the fair market value of the Property, rather than the gross sales price, multiplied by the percentage of interest so transferred, and shall be paid by Seller at the time of the transfer.

If Broker is the prevailing party in any legal proceeding brought by Broker against Seller to recover any or all of the commission set forth herein, Broker shall be entitled to recover from Seller reasonable attorney fees and court costs incurred by Broker in connection with the proceeding.

8. MARKETING FEE. In addition to any other fees and commissions payable by Seller under this Agreement, Seller shall pay Broker a marketing fee in the amount of \$ 1,500 payable ☐ at closing ☒ upon execution of this Agreement. In the event an auction is rescheduled through no fault of the Broker, then Seller shall reimburse Broker for actual expenses incurred in rescheduling the auction.

9. SELLER'S DUTIES. Seller shall cooperate with Broker in the marketing and sale of the Property, including, but not limited to:

(a) If the Property is sold during the term of this Agreement, executing and delivering bills of sale and a (check only ONE) ☒ GENERAL WARRANTY DEED ☐ OTHER: _____ conveying fee simple marketable and insurable title to the Property, including legal access to a public right of way, free of all encumbrances except ad valorem taxes for the current year, utility easements, rights-of-way, and unviolated restrictive covenants, if any, and those encumbrances that the buyer agrees to assume in the sales contract. Seller represents that the Seller has the right to convey the Property, and that there are currently no circumstances that would prohibit the Seller from conveying fee simple marketable and insurable title as set forth in the preceding sentence;

(b) Paying the following expenses of conveyance: (i) Revenue Stamps; (ii) Deed Preparation; and (check all that apply) ☐ ☐ ☐

- (c) Providing an accurate description of the Property to the Broker;
- (d) Informing Broker of any encumbrances that are placed on the Property on or after the date of this Agreement, within _____ days of the encumbrance;
- (e) Obtaining releases of any and all encumbrances on the Property;
- (f) Reimbursing Broker for any expense actually incurred by Broker as a result of an advance made by the Broker on behalf of Seller in furtherance of this Agreement;
- (g) Being present at the time and place of auction sale and assist Broker in the sale of the Property;
- (h) Making known to Broker or any prospective purchasers any defects in the Property;
- (i) Making the Property available for showing (including working, existing utilities) at reasonable times and upon reasonable notice;
- (j) Providing Agent, as soon as reasonably possible after the execution of this Agreement, copies of leases affecting the Property, if any, restrictive covenants, if any, and copies of the bylaws, articles of incorporation, rules and regulations and other governing documents of the owners' association and/or the subdivision, if applicable;
- (k) Referring all inquiries or offers regarding the Property to Broker;
- (l) (check if applicable) ☒ Providing to Broker, in a timely manner, the North Carolina Residential Property Disclosure Statement; and
- (m) (check if applicable) ☒ Providing a Lead-Based Paint and/or Lead-Based Paint Hazards Disclosure with respect to any residential dwelling built prior to 1978.

To the best of Seller's knowledge, the Property has not been clad previously (either in whole or in part) with an "exterior insulating and finishing system," commonly known as "EIFS" or "synthetic stucco", unless disclosed as follows: *If Seller does not wish to disclose, put No Representation*: _____.

No management services, repair services, collection services, notices or tax services shall be implied as being provided by Broker by this Agreement. In the event that Broker does procure any of these services at the request of Seller, it is understood and agreed that Broker shall only be acting in the capacity of procurer for Seller and shall accrue no liability or responsibility in connection with any services so obtained on behalf of Seller. This exclusion of liability and responsibility shall not apply in the event that Broker directly contracts with Seller to provide any such service. Seller further acknowledges that Agent is being retained solely as a real estate professional, and understands that other professional service providers are available to render advice or services to Seller at Seller's expense, including, but not limited to, an attorney, insurance agent, tax advisor, surveyor, structural engineer, home inspector, environmental consultant, architect, or contractor.

10. OWNERS' ASSOCIATION. There ☐ is ☒ is not an owners' association. If there is an owners' association, then it is recommended that the Seller provide to Broker a completed Form 2A12-T (Owners' Association Disclosure and Addendum). The name, address and telephone number of the President of the owners' association or the Property Manager is:

11. BROKER'S DUTIES. Broker agrees to provide Seller the benefit of Broker's knowledge, experience and advice in the marketing and sale of the Property. Seller understands that Broker makes no representation or guarantee as to the sale of the Property, but Broker agrees to use best efforts in good faith to find a buyer who is ready, willing and able to purchase the property. Seller acknowledges that Broker is required by law to disclose to potential purchasers of the Property all material facts pertaining to the Property about which the Broker knows or reasonably should know, and that REALTORS® have an ethical responsibility to treat all parties to the transaction honestly.

Broker shall do the following:

- (a) Schedule auction(s) at appropriate times;
- (b) Provide experienced and qualified personnel for the auction sale;
- (c) Document all records of the auction sale; and
- (d) Comply with all provisions of law in obtaining the highest sales price.

12. MARKETING: Seller authorizes Broker (Check ALL applicable sections):

- ☒ **Signs.** To place "For Sale," "Auction," "Under Contract," "Sale Pending," or other similar signs on the Property and/or upon Seller's other properties (where permitted by law and relevant covenants) and to remove other such signs.
- ☒ **Lock/Key Boxes.** To place a lock/key box on the Property.
- ☐ **Open Houses.** To conduct open houses of the Property at such times as Seller and Broker may subsequently agree.
- ☒ **Listing Service.** To submit pertinent information concerning the Property to any listing service of which Broker is a member or in which any of Broker's agents participate and to furnish to such listing service notice of all changes of information concerning the Property authorized in writing by Seller. Seller authorizes Broker, upon execution of a sales contract for the Property, to notify the listing service of the pending sale, and upon closing of the sale, to disseminate sales information, including sales price, to the listing service, appraisers and real estate brokers.
- ☒ **Advertising Other Than On The Internet.** To advertise the Property in non-Internet media, and to permit other firms to advertise the Property in non-Internet media to the extent and in such manner as Broker may decide.
- ☒ **Internet Advertising.** To display information about the Property on the Internet either directly or through a program of

any listing service of which the Broker is a member or in which any of Broker's agents participate, and authorizes other firms who belong to any listing service of which the Broker is a member or in which any of Broker's agents participate to display information about the Property on the Internet in accordance with the listing service rules and regulations. *If Seller does not authorize Internet Advertising as set forth above, Seller MUST complete an opt-out form in accordance with listing service rules. (NOTE: NCAR Form #105 may be used for this purpose.)*

If Seller authorizes Internet Advertising as set forth above, Seller further authorizes the display of (Check ALL applicable sections):

- ☒ The address of the Property
- ☒ Automated estimates of the market value of the Property
- ☒ Third-party comments about the Property

Seller acknowledges and understands that while the marketing services selected above will facilitate the showing and sale of the Property, there are risks associated with allowing access to and disseminating information about the Property that are not within the reasonable control of the Broker, including but not limited to:

1. unauthorized use of a lock/key box,
2. control of visitors during or after a showing or an open house,
3. inappropriate use of information about the Property placed on the Internet or furnished to any listing service in which the Broker participates.

Seller therefore agrees to indemnify and hold harmless Broker from any damages, costs, attorneys' fees and other expenses as a result of any personal injury or property loss or damage to Seller or any other person not caused by Broker's negligence arising directly or indirectly out of any such marketing services.

13. EARNEST MONEY DEPOSITS. Unless otherwise provided in the sales contract, earnest money deposits paid toward the purchase price shall be made payable to Broker as agent of Seller and held by Broker in an escrow account until the consummation or termination of the transaction. Any earnest money forfeited by reason of buyer's default under a sales contract shall be divided equally between Broker and Seller. In no event shall the sum paid to Broker because of a buyer's default exceed the commission that would have been due if the sale had closed as contemplated in the contract. Likewise, the sum paid to Broker because of a buyer's default shall not decrease the commission payable to Broker as a result of the subsequent sale of the Property.

14. ENVIRONMENTAL MATTERS: Seller, directly or through whom a claim may be made by any other party or parties against the Broker, shall indemnify, defend and hold harmless the Broker, its agents and employees from any loss, liability, damage, cost or expense, including without limitation reasonable legal, accounting, consulting, engineering, court costs and other expenses, related to the presence of storage tanks or the presence or release of hazardous substances, materials and wastes, including, but not limited to, those substances, materials and wastes which are listed in the United States Department of Transportation Hazardous Materials Table or by the Environmental Protection Agency as hazardous substances and those that are or become regulated under any applicable local, state or federal law.

15. BANKRUPTCY: In the event that the Property comes under the jurisdiction of a bankruptcy court, Seller shall immediately notify Broker of the same and if Seller is the subject of bankruptcy, shall promptly take all steps necessary to obtain court approval of Broker's appointment to sell the Property, unless Broker shall elect to terminate this Agreement upon said notice.

16. REPRESENTATIONS: Seller represents and warrants to Broker that it has the right to offer the Property for sale and further represents and warrants that it has the right and authority to execute and deliver such instruments as may be necessary to effectuate any transaction contemplated hereby.

17. INDEMNIFICATION: Seller represents and warrants that the information set forth herein and any other information as may be furnished by the Seller is correct to the best of Seller's knowledge; Broker shall have no obligation or responsibility for checking or verifying any such information. Further, Seller agrees to indemnify Broker for any and all loss or damage sustained by Broker as a result of Broker's or Seller's furnishing such information to a buyer or anyone else.

18. PARTIES AND BENEFIT: This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns and their personal representatives. Each signatory to this Agreement represents and warrants that he or she has full authority to sign this agreement on behalf of the party for whom he or she signs and that this Agreement binds such party.

19. MEDIATION. If a dispute arises out of or related to this Agreement or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation before resorting to arbitration, litigation, or some other dispute resolution procedure. If the need for mediation arises, the parties will choose a mutually acceptable mediator and will share the cost of mediation equally. The mediation will take place at a mutually acceptable location in the city where the Broker's Office Address is located unless otherwise indicated as follows:

20. ADDITIONAL TERMS AND CONDITIONS. The following additional terms and conditions shall also be a part of this Agreement:

EXHIBIT A

21. ENTIRE AGREEMENT/CHANGES. This Agreement constitutes the entire agreement between the parties and there are no representations, inducements, or other provisions other than those expressed herein. All changes, additions, or deletions to this Agreement must be in writing and signed by the parties.

THE AGENT SHALL CONDUCT ALL BROKERAGE ACTIVITIES IN REGARD TO THIS AGREEMENT WITHOUT RESPECT TO THE RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS OF ANY PARTY OR PROSPECTIVE PARTY TO THE AGREEMENT.

Seller and Broker each acknowledge receipt of a signed copy of this Agreement.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. MAKES NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION.

SELLER * [Signature] * DATE * 8/4/11 *

SELLER _____ DATE _____

Mobile Phone _____ E-mail _____

NC REAL Auctions, LLC
202 Red Mountain rd
Rougemont, NC 27572
Phone: 919-616-4217, Fax: 919-528-4564

By: _____

Signature Ron Daniels

Date

Individual license #: 80510
E-mail NC Real Auctions & Realty, LLC.

WORKING WITH REAL ESTATE AGENTS

NOTE: Effective July 1, 2001, in every real estate sales transaction, a real estate agent shall, at first substantial contact directly with a prospective buyer or seller, provide the prospective buyer or seller with the following information [NC Real Estate Commission Rule 21 NCAC 58A.0104(c)].

When buying or selling real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the seller. In others, the seller and buyer may each have agents. And sometimes the same agents work for both the buyer and the seller. It is important for you to know whether an agent is working for you as **your agent** or simply working **with** you while acting as an agent of the other party.

This brochure addresses the various types of working relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide buyers and sellers, and it will help explain how real estate agents are paid.

SELLERS

Seller's Agent

If you are selling real estate, you may want to "list" your property for sale with a real estate firm. If so, you will sign a "listing agreement" authorizing the firm and its agents to represent you in your dealings with buyers as **your seller's agent**. You may also be asked to allow agents from other firms to help find a buyer for your property.

Be sure to read and understand the listing agreement before you sign it.

Duties to Seller: The listing firm and its agents must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have signed the listing agreement, the firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission so long as they represent you. **Until you sign the listing agreement, you should avoid telling the listing agent anything you would not want a buyer to know.**

Services and Compensation: To help you sell your property, the listing firm and its agents will offer to perform a number of services for you. These may include • helping you price your property • advertising and marketing your property • giving you all required property disclosure forms for you to complete • negotiating for you the best possible price and terms • reviewing all written offers with you and • otherwise promoting your interests.

For representing you and helping you sell your property, you will pay the listing firm a sales commission or fee. The listing agreement must state the amount or method for determining the commission or fee and whether you will allow the firm to share its commission with agents representing the buyer.

Dual Agent

You may even permit the listing firm and its agents to represent **you and** a buyer at the same time. This "dual agency relationship" is most likely to happen if an agent with your listing firm is working as **buyer's agent** with someone who wants to purchase your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to sign a separate agreement or document permitting the agent to act as agent for both you and the buyer.

It may be difficult for a **dual agent** to advance the interests of both the buyer and seller. Nevertheless, **dual agent** must treat buyers and sellers fairly and equally. Although the **dual agent** owes them the same duties, buyers and sellers can prohibit **dual agents** from divulging **certain** confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the **dual agent** and • what the agent will be doing for you in the transaction.

BUYERS

When buying real estate, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as **abuyer's agent**). You may be willing for them to represent both you and the seller at the same time (as **adual agent**). Or you may agree to let them represent only the seller (**seller's agent** or **subagent**). Some agents will offer you a choice of these services. Others may not.

Buyer's Agent

Duties to Buyer: If the real estate firm and its agents represent you, they must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have agreed (either orally or in writing) for the firm and its agents to be your **buyer's agent**, they may not give any confidential information about you to sellers or their agents without your permission so long as they represent you. **But until you make this agreement with your buyer's agent, you should avoid telling the agent anything you would not want a seller to know.**



PREPARED BY: Ron Daniels, Broker In Charge

STANDARD FORM 520, REC 1/1/2009. North Carolina Association of REALTORS®, Inc.

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Seller(s) *CDH*

Unwritten Agreements: To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time as *abuyer's agent* without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential. Furthermore, if you later purchase the property through an agent with another firm, the agent who first showed you the property may seek compensation from the other firm.

Be sure to read and understand any agency agreement before you sign it.

Services and Compensation: Whether you have a written or unwritten agreement, *abuyer's agent* will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property and • otherwise promote your best interests. If you have ~~awritten~~ agency agreement, the agent can also help you prepare and submit a written offer to the seller.

A *buyer's agent* can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your *buyer's agent* is spelled out in a buyer agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

Dual Agent

You may permit an agent or firm to represent you ~~and~~ the seller at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your *buyer's agent* or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement, your *buyer's agent* will ask you to sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for ~~the dual agent~~ to advance the interests of both the buyer and seller. Nevertheless, *dual agent* must treat buyers and sellers fairly and equally. Although ~~the dual agent~~ owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since *actual agent's* loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with ~~the dual agent~~ and • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.

Seller's Agent Working With a Buyer

If the real estate agent or firm that you contact does not offer *buyer agency* or you do not want them to act as your *buyer agent*, you can still work with the firm and its agents. However, they will be acting as the *seller's agent* (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as *buyer's agent*. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties.

But remember, the agent represents the seller - not you - and therefore must try to obtain for the seller the best possible price and terms for the seller's property. Furthermore, *aseller's agent* is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you ~~you~~ *in writing* if they are *sellers' agents* before you say anything that can help the seller. But ~~until you are sure that an agent is not a seller's agent, you should avoid saying anything you do not want a seller to know.~~

Sellers' agents are compensated by the sellers.

FOR BUYER/SELLER

This is not a contract

7-12-2011

Date NC REAL Auctions & Realty, LLC

Firm Name Ronald V. Daniels

80510

Agent Name

License Number

Disclosure of Seller Subagency

(Complete, if applicable)

☒ When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER.

For more information, see Seller's Agent Working with a Buyer in the brochure.

+ US Bankruptcy Court

Agent's Initials Acknowledging Disclosure: RD

The North Carolina Real Estate Commission
P.O. Box 17100 • Raleigh, North Carolina 27619-7100
919/875-3700 • Web Site: www.ncrec.state.nc.us
REC 3.45 1/1/09

WORKING WITH REAL ESTATE AGENTS

*Agents must retain this acknowledgment for their files.**This is not a contract*

By signing, I acknowledge that the agent names below furnished a copy of this brochure and reviewed it with me.

SELLER



DATE



SELLER

DATE

NC REAL Auction & Realty, LLC
 Firm Name
Ronald V. Daniels 80510
 Agent Name and License Number

Disclosure of Seller Subagency**(Complete, if applicable)**

☒ When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER.
 For more information, see Seller's Agent Working with a Buyer in the brochure.

+ US Bankruptcy Court

Buyer's Initials Acknowledging Disclosure: _____



**STATE OF NORTH CAROLINA
RESIDENTIAL PROPERTY DISCLOSURE STATEMENT**

INSTRUCTIONS TO PROPERTY OWNERS

1. G.S. 47E requires owners of residential real estate (single-family homes and buildings with up to four dwelling units) to furnish purchasers a property disclosure statement. This form is the only one approved for this purpose. A disclosure statement must be furnished in connection with the sale, exchange, option and sale under a lease with option to purchase (unless the tenant is already occupying or intends to occupy the dwelling). A disclosure statement is not required for some transactions, including the first sale of a dwelling which has never been inhabited and transactions of residential property made pursuant to a lease with option to purchase where the lessee occupies or intends to occupy the dwelling. For a complete list of exemptions, see G.S. 47E-2.
2. You must check one of the boxes for each of the questions on the reverse side of this form.
 - a. If you check "Yes" for any question, you must explain your answer and either describe the problem or attach a report from an engineer, contractor, pest control operator or other expert or public agency describing it. If you attach a report, you will not be liable for any inaccurate or incomplete information contained in it so long as you were not grossly negligent in obtaining or transmitting the information.
 - b. If you check "No", you are stating that you have no actual knowledge of any problem. If you check "No" and you know there is a problem, you may be liable for making an intentional misstatement.
 - c. If you check "No Representation", you have no duty to disclose the conditions or characteristics of the property, even if you should have known of them.
 - * If you check "Yes" or "No" and something happens to the property to make your Statement incorrect or inaccurate (for example, the roof begins to leak), you must promptly give the purchaser a corrected Statement or correct the problem.
3. If you are assisted in the sale of your property by a licensed real estate broker, you are still responsible for completing and delivering the Statement to the purchasers; and the broker must disclose any material facts about your property which they know or reasonably should know, regardless of your responses on the Statement.
4. You must give the completed Statement to the purchaser no later than the time the purchaser makes an offer to purchase your property. If you do not, the purchaser can, under certain conditions, cancel any resulting contract (See "Note to Purchasers" below). You should give the purchaser a copy of the Statement containing your signature and keep a copy signed by the purchaser for your records.

Note to Purchasers: If the owner does not give you a Residential Property Disclosure Statement by the time you make your offer to purchase the property, you may under certain conditions cancel any resulting contract and be entitled to a refund of any deposit monies you may have paid. To cancel the contract, you must personally deliver or mail written notice of your decision to cancel to the owner or the owner's agent within three calendar days following your receipt of the Statement, or three calendar days following the date of the contract, whichever occurs first. However, in no event does the Disclosure Act permit you to cancel a contract after settlement of the transaction or (in the case of a sale or exchange) after you have occupied the property, whichever occurs first.

5. In the space below, type or print in ink the address of the property (sufficient to identify it) and your name. Then sign and date.

Property Address:

1114 Gurley St, Durham NC

Owner's Name(s):

Craig Hines

Owner(s) acknowledge having examined this Statement before signing and that all information is true and correct as of the date signed.

Owner Signature:

*Craig Hines

Date:

*8/4/11

Owner Signature:

Date:

Purchaser(s) acknowledge receipt of a copy of this disclosure statement; that they have examined it before signing; that they understand that this is not a warranty by owner or owner's agent; that it is not a substitute for any inspections they may wish to obtain; and that the representations are made by the owner and not the owner's agent(s) or subagent(s). Purchaser(s) are encouraged to obtain their own inspection from a licensed home inspector or other professional.

Purchaser Signature:

Date:

Purchaser Signature:

Date:

Property Address/Description: 1114 Gurley St. Durham, NC
(Note: In this form, property refers only to dwelling unit(s) and not sheds, detached garages or other buildings.)

EXHIBIT A

Regarding the property identified above, do you know of any problem (malfunction or defect) with any of the following:

	Yes*	No	Representation
1. FOUNDATION, SLAB, FIREPLACES/CHIMNEYS, FLOORS, WINDOWS (INCLUDING STORM WINDOWS AND SCREENS), DOORS, CEILINGS, INTERIOR AND EXTERIOR WALLS, ATTACHED GARAGE, PATIO, DECK OR OTHER STRUCTURAL COMPONENTS including any modifications to them?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
a. Siding is <input type="checkbox"/> Masonry <input type="checkbox"/> Wood <input type="checkbox"/> Composition/Hardboard <input type="checkbox"/> Vinyl <input type="checkbox"/> Synthetic Stucco <input type="checkbox"/> Other			
b. Approximate age of structure?			
2. ROOF (leakage or other problem)?	<input type="checkbox"/>	<input type="checkbox"/>	
a. Approximate age of roof covering?			
3. WATER SEEPAGE, LEAKAGE, DAMPNES OR STANDING WATER in the basement, crawl space or slab?	<input type="checkbox"/>	<input type="checkbox"/>	
4. ELECTRICAL SYSTEM (outlets, wiring, panel, switches, fixtures, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	
5. PLUMBING SYSTEM (pipes, fixtures, water heater, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	
6. HEATING AND/OR AIR CONDITIONING?			
a. Heat Source is: <input type="checkbox"/> Furnace <input type="checkbox"/> Heat Pump <input type="checkbox"/> Baseboard <input type="checkbox"/> Other			
b. Cooling Source is: <input type="checkbox"/> Central Forced Air <input type="checkbox"/> Wall/Window Unit(s) <input type="checkbox"/> Other			
c. Fuel Source is: <input type="checkbox"/> Electricity <input type="checkbox"/> Natural Gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil <input type="checkbox"/> Other			
7. WATER SUPPLY (including water quality, quantity and water pressure)?	<input type="checkbox"/>	<input type="checkbox"/>	
a. Water supply is: <input type="checkbox"/> City/County <input type="checkbox"/> Community System <input type="checkbox"/> Private Well <input type="checkbox"/> Other			
b. Water pipes are: <input type="checkbox"/> Copper <input type="checkbox"/> Galvanized <input type="checkbox"/> Plastic <input type="checkbox"/> Other <input type="checkbox"/> Unknown			
8. SEWER AND/OR SEPTIC SYSTEM?	<input type="checkbox"/>	<input type="checkbox"/>	
a. Sewage disposal system is: <input type="checkbox"/> Septic Tank <input type="checkbox"/> Septic Tank with Pump <input type="checkbox"/> Community System <input type="checkbox"/> Connected to City/County System <input type="checkbox"/> City/County System available <input type="checkbox"/> Straight pipe (wastewater does not go into a septic or other sewer system [note: use of this type of system violates state law]) <input type="checkbox"/> Other			
9. BUILT-IN APPLIANCES (RANGE/OVEN, ATTACHED MICROWAVE, HOOD/FAN, DISHWASHER, DISPOSAL, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	
10. PRESENT INFESTATION, OR DAMAGE FROM PAST INFESTATION OF WOOD DESTROYING INSECTS OR ORGANISMS which has not been repaired?	<input type="checkbox"/>	<input type="checkbox"/>	
11. DRAINAGE, GRADING OR SOIL STABILITY OF LOT?	<input type="checkbox"/>	<input type="checkbox"/>	
12. OTHER SYSTEMS AND FIXTURES: CENTRAL VACUUM, POOL, HOT TUB, SPA, ATTIC FAN, EXHAUST FAN, CEILING FAN, SUMP PUMP, IRRIGATION SYSTEM, TV CABLE WIRING OR SATELLITE DISH, OR OTHER SYSTEMS?	<input type="checkbox"/>	<input type="checkbox"/>	
Also regarding the property identified above, including the lot, other improvements, and fixtures located thereon, do you know of any:			
13. ROOM ADDITIONS OR OTHER STRUCTURAL CHANGES?	<input type="checkbox"/>	<input type="checkbox"/>	
14. ENVIRONMENTAL HAZARDS (substances, materials or products) including asbestos, formaldehyde, radon gas, methane gas, lead-based paint, underground storage tank, or other hazardous or toxic material (whether buried or covered), contaminated soil or water, or other environmental contamination?	<input type="checkbox"/>	<input type="checkbox"/>	
15. COMMERCIAL, INDUSTRIAL, OR MILITARY NOISE, ODOR, SMOKE, ETC. AFFECTING THE PROPERTY?	<input type="checkbox"/>	<input type="checkbox"/>	
16. VIOLATIONS OF BUILDING CODES, ZONING ORDINANCES, RESTRICTIVE COVENANTS OR OTHER LAND-USE RESTRICTIONS OR BUILDING CODES INCLUDING THE FAILURE TO OBTAIN PROPER PERMITS FOR ROOM ADDITIONS OR OTHER STRUCTURAL CHANGES?	<input type="checkbox"/>	<input type="checkbox"/>	
17. UTILITY OR OTHER EASEMENTS, SHARED DRIVEWAYS, PARTY WALLS OR ENCROACHMENTS FROM OR ON ADJACENT PROPERTY?	<input type="checkbox"/>	<input type="checkbox"/>	
18. LAWSUITS, FORECLOSURES, BANKRUPTCY, TENANCIES, JUDGMENTS, TAX LIENS, PROPOSED ASSESSMENTS, MECHANICS' LIENS, MATERIALMENS' LIENS, OR NOTICE FROM ANY GOVERNMENTAL AGENCY that could affect title to the property?	<input type="checkbox"/>	<input type="checkbox"/>	
19. OWNERS' ASSOCIATION OR "COMMON AREA" EXPENSES OR ASSESSMENTS?	<input type="checkbox"/>	<input type="checkbox"/>	
20. FLOOD HAZARD or that the property is in a FEDERALLY-DESIGNATED FLOOD PLAIN?	<input type="checkbox"/>	<input type="checkbox"/>	
21. PRIVATE ROAD(S) OR STREETS adjoining the property?	<input type="checkbox"/>	<input type="checkbox"/>	
a. If yes, do you know of an existing owners association or maintenance agreement to maintain the road or street?	<input type="checkbox"/>	<input type="checkbox"/>	
* If you answered "Yes" to any of the above 21 questions, please explain (Attach additional sheets, if necessary):			

In lieu of providing a written explanation, you may attach a written report to this Disclosure Statement by a public agency, engineer, land surveyor, geologist, pest control operator, contractor, home inspector or other expert, dealing with matters within the scope of that public agency's functions or the expert's license or expertise.

Owner Initials and Date SA 8/11
Purchaser Initials and Date

Owner Initials and Date
Purchaser Initials and Date

LEAD-BASED PAINT OR LEAD-BASED PAINT HAZARD ADDENDUM

Property Address:

1114 Gwiley St

During the Due Diligence Period, Buyer shall have the right to obtain a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards* at Buyer's expense. Buyer may waive the right to obtain a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards at any time without cause.

* Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family from Lead in Your Home" for more information.

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Lead Warning Statement

Every Buyer of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential real property is required to provide the Buyer with any information on lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the Buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based hazards is recommended prior to purchase.

Seller's Disclosure (initial)

- (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):
- ☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).
- ☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- (b) Records and reports available to the Seller (check one):
- ☐ Seller has provided the Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
- ☐ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's Acknowledgment (initial)

- (c) Buyer has received copies of all information listed above.
- (d) Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*.
- (e) Buyer has (check one below):
- ☐ Received the opportunity during the Due Diligence Period to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
- ☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards

Agent's Acknowledgment (initial)

- (f) Agent has informed the Seller of the Seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.



PREPARED BY: Ron Daniels, Broker in Charge

STANDARD FORM 2A9-T Revised 1/2011 © 1/2011. North Carolina Association of REALTORS®, Inc.

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EXHIBIT A

Certification of Accuracy

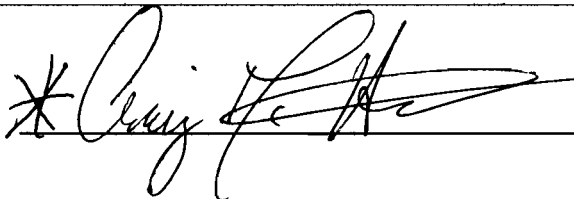
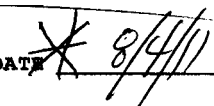
The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

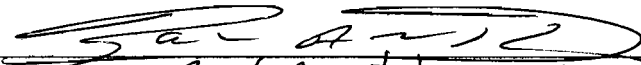
BUYER _____ DATE _____ (SEAL)

BUYER _____ DATE _____ (SEAL)

Agent: _____ Date _____

SELLER  DATE  (SEAL)

SELLER _____ DATE _____ (SEAL)

Agent:  Date 7-12-11
NC Real Auctions & Realty, LLC